

EXHIBIT B

RENEWABLE DISTRIBUTION AGREEMENT

Between

ROOTS READYMADE GARMENTS, a Qatar Company, with its principal place of business at P.O. Box 1244, Doha, State of Qatar

Only represented by Mr. Ashraf A. R. Abu Issa, General Manager of the Company

(Hereinafter referred to as **ROOTS**)

AL DIWAN TRADING, a Tunisian Company, with its principal place of business at Immeuble El Moncef Ben Brahim, Rue D'Italie, B.P. 180 Hammam-Sousse 4012, Tunisia

Only represented by Mr. Monir Laamari, General Manager of the company

(Hereinafter referred to as **AL DIWAN TRADING**)

RECITALS

- A) **ROOTS** manages the right granted by **GAP Inc.** (hereinafter referred to as the manufacturer) to sell merchandise labelled; "GAP, Banana Republic and Old Navy" hereafter referred to as the Products and as defined in exhibit A, in certain territories
- B) **ROOTS** wishes to appoint **AL DIWAN TRADING** as a distributor in the Territory as defined in exhibit A;
- C) **AL DIWAN TRADING** wishes to be a distributor for the Products in the Territory

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

Article 1 : Distribution

ROOTS hereby appoints AL DIWAN TRADING as a distributor in the Territory for the Products for sale and AL DIWAN TRADING accepts the appointment under the terms and conditions provided herein.

AL DIWAN TRADING shall devote its best efforts to promoting and selling the Products within the Territory.

Article 2 : Territory

The territory is specifically defined in exhibit A attached hereto and incorporated herein by reference.

AL DIWAN TRADING is forbidden to resell, transfer or dispose of the Products directly or indirectly outside of the Territory.

Should AL DIWAN TRADING be in breach of the interdiction to sell directly outside of the Territory, then AL DIWAN TRADING agrees to pay to ROOTS a contractual penalty of US\$ 1,000,000.- (one million American Dollars) for each established breach, upon request of ROOTS. Further, ROOTS has the right, at its sole discretion, to terminate immediately this Agreement by notifying its decision to AL DIWAN TRADING.

Should AL DIWAN TRADING be in breach of the interdiction to sell indirectly outside of the Territory, then AL DIWAN TRADING agrees that ROOTS shall have the right, at its sole remedy, to purchase such unauthorised Products and AL DIWAN TRADING shall have the obligation to repurchase the same from ROOTS at the price paid by ROOTS, provided however, that ROOTS gives prior written notice to AL DIWAN TRADING of the unauthorised sale, the source of the unauthorised sale and the quantity of Products involved.

If Gap Inc. products are found to be sold in the territory specified by this agreement and ROOTS is notified in writing with proofs that these products are from a source other than AL Diwan Trading, ROOTS Trading will authorize Al Diwan to purchase the quantities from the territory. ROOTS in return will compensate Al Diwan for the quantities purchased by Al Diwan for the mentioned products.

Article 3 : Products

The Products are defined in exhibit B attached hereto and incorporated herein by reference.

The Products offered for sale to AL DIWAN TRADING will be exclusively those products listed on the Current Product List established by ROOTS from time to time on the basis of the product mix received in preset packages from Jebel Ali Warehouse.

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Article 4 : Minimum Purchase Order Condition

AL DIWAN TRADING commits to purchase a minimum quantity of :

- 100,000 (One hundred thousand) pieces for the period of January 2003 until December 2003
- 125,000 (One hundred Twenty five thousand) pieces January 2004 until December 2004
- It is required that AL Diwan Trading orders 25,000 (Twenty Five Thousand) pieces to be the first purchase order for the period covering November 2002 until December 2002

For the following three years (January until May 2007) Al Diwan Trading will be required to commit the following purchase per year:

- January to December 2005 (150,000 pieces)
- January to December 2006 (150,000 pieces)
- January to May 2007 (75,000 pieces)

The validity of this agreement is subject to the following conditions:

- Each calendar year Al Diwan Trading will pay an upfront commitment fee to ROOTS equal to US\$ 1 per committed piece for the given year. The commitment fee for the calendar year 2003 amounting to US\$ 100,000.- shall be paid to ROOTS of AL DIWAN TRADING on or before October 30, 2002.
- Each calendar year ROOTS will deduct on their invoices to AL DIWAN TRADING US\$ 1 per purchased unit, until such time as AL DIWAN TRADING has reached its committed minimum purchase quantity.
- ROOTS shall have the right to retain US\$ 1 per piece for each yearly committed quantity not purchased or paid by AL DIWAN TRADING.
- AL DIWAN TRADING will place a minimum firm order for 25,000 pieces within 15 days of the signature of the present agreement.
- For each contractual years starting in 2003, orders must be placed quarterly.
- The payment of the merchandise through irrevocable, confirmed and transferable letter of credit for the total amount of the delivered Products, issued by a first class international bank on the date of receipt of the pro-forma invoice from ROOTS and payable to ROOTS in Qatar at sight.
- Upon signing the agreement with Roots Trading a bank guarantee will be open by Al Diwan Trading for the amount of USD 125,000 (United States Dollars One Hundred and Twenty Five Thousand).
- Al Diwan Trading will open a bank guarantee one month before the start of each contractual year to cover the amount of the purchase for that coming year knowing that the mentioned amount is considered as USD 1.00 (United States Dollars One) per piece committed to be purchased by Al Diwan Trading for that time period.

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Article 5: Purchase Orders

Purchase orders must be confirmed in writing, signed by an authorized officer of AL DIWAN TRADING and notified to ROOTS at its above mentioned business address.

All purchase orders received from AL DIWAN TRADING by ROOTS shall be subject to acceptance by ROOTS within 15 days of their reception and the decision of ROOTS as to the types and quantities of the Products covered by the acceptance shall be final.

ROOTS shall endeavor to fill the accepted orders as promptly as possible and shall not be liable for delays caused by Government orders, or requirements, transportation delays, labour or material shortages, strikes, fires or any other cause beyond ROOTS' control.

AL DIWAN TRADING expressly releases ROOTS from liabilities for any losses or damages arising from the failure of ROOTS to fill any orders of AL DIWAN TRADING.

ROOTS reserves the right, in its sole discretion, to reject or cancel any purchase order portion that covers Products are not listed on the Current Product List or if the payment of the purchase order is not secured by an acceptable letter of credit.

Article 6: Prices

The prices charged by ROOTS to AL DIWAN TRADING for the Products are those in effect on the date the order from AL DIWAN TRADING is received by ROOTS.

The prices are expressed in American Dollars and the payment from AL DIWAN TRADING to ROOTS shall be made in the same currency.

Article 7: Delivery and Payment

ROOTS shall deliver the purchased Products to AL DIWAN TRADING in accordance with the order at ROOTS' warehouse, which address is Jebel Ali, Free zone, against an irrevocable confirmed and transferable letter of credit for the total amount of the delivered Products payable at sight to ROOTS in Qatar.

At the start of the second order letters of credit open by Al Diwan to Roots Trading will have a 60 day period.

Article 8: Warranty

ROOTS shall not be liable for any damages or for the breach of any warranty, express or implied, whether of merchantability or fitness for any purpose or otherwise, or for any other obligation or liability on account of the Products covered by this Agreement which it may sell to AL DIWAN TRADING.

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Article 9 : Minimum purchase order

AL DIWAN TRADING shall place firm purchase orders with ROOTS, each year, starting from the beginning of this Agreement, for the minimum quantities of the Products defined as follows:

The following are the minimum quantities of the Products for the Territory:

- > First purchase required as per article 4: 25,000 pieces
- > First contractual year: 100,000 pieces
- > Second contractual year: 125,000 pieces
- > Third contractual year: 150,000 pieces
- > Fourth contractual year: 175,000 pieces
- > Fifth contractual year: 200,000 pieces

AL DIWAN TRADING shall place and pay for orders with ROOTS in a least 15 days before the minimum quantity of Products for the whole territory during any particular year period. ROOTS shall be entitled, at its sole option, to terminate the present agreement.

Article 10 : Trademark and Promotional Materials

AL DIWAN TRADING commits to sign the GAP advertising restriction agreement defined in Exhibit C.

Article 11 : Termination

Unless terminated in accordance with the provisions hereof, this Agreement may be terminated by either party at its option and without prejudice to any other remedy to which it may be entitled, in the following circumstances:

- 1) Immediately without notice from either party towards the other, if the other party:
 - a) Is adjudicated a voluntary or involuntary bankrupt;
 - b) Becomes insolvent or has a receiver appointed;
 - c) Makes an assignment for the benefit of its creditors;
- 2) Upon 30 days written notice and demand to cure from either party towards the other if the other party is in default in the performance of any obligation under this Agreement, provided however that the defaulting party did not cure any such default within the notice period.
- 3) Upon 30 days written notice if the exclusive rights granted by the manufacturer are terminated.

Upon termination of this Agreement for any reason the parties hereto agree as follows:

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1) AL DIWAN TRADING shall keep the right to sell within the Territory the Products it currently possesses as of the date of termination.

2) ROOTS shall not be liable for any damages of any kind, whether actual or consequential, by AL DIWAN TRADING of present or anticipated sales, expenditures, investments, commitments or in connection with this Agreement, or account of any other transaction whatsoever.

AL DIWAN TRADING shall not be held liable for loss or damage or for breach of this Agreement if AL DIWAN TRADING's failure to perform its obligations in all areas in the mentioned territories in this Agreement is a result of:

- 1) Force Majeure by reason of war (declared or undeclared), act of public enemy, epidemic, government order or regulation, judicial order or decree, prohibition, limitation, any grant of injunction relief, whether imposed on an individual or on a company or affecting only the distributor) or acts of God;
- 2) Compliance with any law ruling, requirement, order, regulation or instruction of any government in the mentioned territories or any department or agency in the mentioned territories;
- 3) Any other similar event or cause beyond the control of AL DIWAN TRADING.

Article 12. Term

Unless sooner terminated in accordance with the provisions hereof, this Agreement shall commence on the date of signature hereof and shall expire on December 31, 2004.

Before the expiration of this Agreement the parties shall negotiate in good faith the terms and conditions for the extension of this Agreement for a further period that commences January 2005 and ends May 2007 provided that AL DIWAN TRADING has fully complied with its obligation hereunder.

Article 13. Assignment

AL DIWAN TRADING shall not assign this Agreement without the prior written consent of ROOTS.

ROOTS reserves the right to assign this Agreement, in all or in part, to any of its subsidiaries without the prior approval of AL DIWAN TRADING provided it informs AL DIWAN TRADING in writing before any such transfer and provided that such assignment will not have any material impact on AL DIWAN TRADING.

Article 14. Choice of Law

This Agreement shall be governed by Qatar Law.

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Article 15: Arbitration

All disputes arising out of or in connection with this Agreement shall be finally settled by the Rules of Arbitration by one or more arbitrators appointed in accordance with the Rules of Arbitration.

The seat of the arbitration shall be in Doha, Qatar.

Article 16: Notices

All notices to be delivered under this Agreement shall be deemed to be delivered if they are delivered by hand or by Registered Mail and addressed to the following:

1. To ROOTS:

Roots Readymade Garments
P.O. Box 22447
Doha, State of Qatar

2. To AL DIWAN TRADING:

Immeuble Dr Moncef Ben Stahy
Rue D'Italie
B.P. 180
Hammam-Sousse 4011
Tunisia

Article 17: Written form

This Agreement cannot be modified or changed except by written instrument signed by both parties hereto.

Exhibits

- A. Distributor's Territory
- B. List of the Products
- C. Advertising and selling restrictions

The parties have signed this Agreement in two original copies at
On the 23rd of February 2002

For Roots Readymade Garments:

For AL DIWAN TRADING:

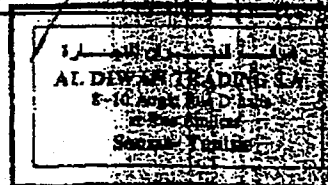


EXHIBIT A

To

DISTRIBUTION AGEEMENT

Between

Roon Ready-made Garments

and

Al Darah Trading

Distributor's Territory shall include the following country:

TUNISIA

EXHIBIT B

To

DISTRIBUTION AGREEMENT

Between

Gap Inc. Ready-made Garments

and

ALDI STORES, INC.

The Products are all apparels merchandise manufactured under the following brands:

**GAP
BANANA REPUBLIC
OLD NAVY**

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EXHIBIT C

ADVERTISING & SELLING RESTRICTIONS

The following restrictions and prohibitions are applicable to all Authorized Goods ("Authorized Goods") bearing the GAP, BANANA REPUBLIC and GAP NARAYANA trademarks (the "Trademarks"):

1. All Authorized Goods must be sold exclusively in Authorized Stores.
2. No Authorized Goods may be sold through any catalog, on-line store or other non-retail store vehicle.
3. Goods may be promoted, advertised and/or marketed solely and exclusively with promotional materials, if any, including but not limited to in-store displays, signage, provided to you by your distributor : Gabana Child Distributor and (Distributor) only in the manner specifically authorized.
4. You may not use the Trademarks except as placed in or on the goods or promotional materials received from your Distributor.
5. No promotional material provided to you by your Distributor may be used on the exterior or outside of any store or in any in-store window display.
6. You may not prepare any promotional or other material using any of the Trademarks or use any such material.
7. You may not issue any press releases or other public statements and/or participate in any publicity events promoting or relating in any way to the Authorized Goods or the Trademarks.
8. You may not modify, alter, obscure, remove or otherwise tamper or interfere with the Authorized Goods or their packaging or the Trademarks placed in or on the Authorized Goods when received from your Distributor.
9. You may not purchase for resale any goods bearing any of the Trademarks at any retail store or through any catalog, on-line store or other non-retail store vehicle. You may purchase Authorized Goods only from your Distributor.
10. You may not promote the Authorized Goods together with goods bearing any other brand or logo offering Authorized Goods at a reduced price if purchased together with goods bearing another brand or visa versa)
11. Neither you nor any of your employees may make any representation, warranty or guaranty to any customer with respect to any Authorized Goods except as representation expressly set forth on and/or in the Authorized Goods and/or its packaging containing the Authorized Goods.
12. You must store and/or warehouse all Authorized Goods in a manner appropriate to preserve the integrity of the Authorized Goods.
13. You may not sell any fragrance, cosmetic and bath products where the packaging containing the product has been opened or the product has been used or returned by a customer.
14. You may not sell any product that has spoiled, been damaged or expired.
15. You must display all Authorized Goods for sale in the same selling area. For example, you may not display any Bath or Body Product in a selling area shared with other Authorized Goods (such as perfume counters).